

NORTHAMPTON BOROUGH COUNCIL
FINANCIAL STRATEGY AND PERFORMANCE
OVERVIEW & SCRUTINY COMMITTEE

Thursday, 6 May 2004

PRESENT: Councillor Perkins(In the Chair); Councillor Church (Deputy Chair);
Councillors Caswell, Duncan, B Markham, Patterson and Stewart

ALSO PRESENT:

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| Councillor Hadland | Financial Strategy and Performance Portfolio Holder |
| Councillor Hill # | Community Leadership Portfolio Holder (Item 7) |
| J Bayes | Chief Estates Surveyor (Item 7) |
| R Bowmer | Acting S151 Officer & Head of Financial Strategy |
| A Foster | Head of Corporate Procurement (Item 8) |
| S Harrison | Group Accountant (Technical) (Item 5) |
| B Hill | Chief Accountant (Item 9) |
| M Hunter | Head of Overview and Scrutiny |
| J Inch | Senior Solicitor |
| C Stevenson | Head of Benefit Services (Item 6) |
| R Sumner | Head of Property and Construction (Item 7) |
| Councillor Woods | Observer |
| Meetings Services Officer | |

1. APOLOGIES

An apology for absence was received from Councillor Marriott.

At this point the Committee elected a Chair for the meeting as the Chair had submitted his apologies and the Deputy Chair was expected to join the meeting after it had begun. It was proposed that Councillor Perkins chair this meeting.

CONCLUSION: That Councillor Perkins chair this meeting of the Committee.

2. MINUTES

The minutes of the Joint meeting with Planning, Regeneration and Transportation Scrutiny Committee held on 10 March 2004 and the meeting held on 18 March 2004 were signed by the Chair.

3. DEPUTATIONS / PUBLIC ADDRESSES

None.

4. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

None.

5. REVIEW OF THE CORPORATE CAPITAL STRATEGY PROCESS AND

REPORTING

The Acting S151 Officer & Head of Financial Strategy presented a report, on behalf of the Working Party from this Committee, having reviewed the Council's Corporate Capital Strategy and expanded on the recommendations.

The Committee welcomed the report on the findings and considered whether it could go forward to the Executive in the Committee's name.

The recommendations were considered challenging, meaning a change from measuring inputs to measuring outputs. Members wanted this emphasis highlighted, as well as that of avoiding, wherever possible, private agenda reports.

The Committee concluded that the report was succinct, but the recommendations were unclear. They needed to be made specific and listed on the front page.

CONCLUSIONS

- (1) That the report be endorsed as from this Committee.
- (2) That emphasis be placed on the avoidance of private agenda items.
- (3) That the recommendations of the Working Party be listed in the front of the report.
- (4) That a progress report, in the form of an Annual Report, be presented to both the Executive and this Committee by 30 September 2004.

6. HOUSING BENEFITS

The Committee had received information on Benefit Services approximately one year ago as a result of the DWP direction order and planned to review Benefit Services the following year.

The Chair commented that although the backlog had diminished, there were concerns about the reasons for slippage.

The Head of Benefit Services advised on:-

- Staff turnover and unfilled vacancies
- Benefits and Revenues Merger
- Work in transit at 1,326 in April 2003, 1,249 on 3 May 2004, therefore, the position was maintained.
- Specific management posts in the new structure.
- Development of training for managers
- Development of performance monitoring
- Development of draft competency framework
- Use of management information to streamline work
- Procurement process for new IT with DWP funding
- Improved management systems and benchmarking
- Uncertainty affecting morale
- Production of the action plan (circulated)
- Implementation of speedier claim response times
- Workshops planned by the Performance Review Action Team
- Use of Agency Personnel for the next 12 to 18 months
- Liaison with Kettering and Wellingborough for mutual assistance

Members raised concerns about:

- To what extent improvement was dependant on IT
- Whether the merger was impeding progress
- That the Action Plan was not yet endorsed
- Whether advise was being sought from Kettering Borough Council, as this was an Authority that had improved.

The Committee expressed the need for:-

- Looking at the Action Plan to ascertain the right level of challenge and whether it was SMART.
- Scrutiny to review this service and the effect of the recovery process and Action Plan.
- Active monitoring of performance using the `traffic light` system.
- Receiving the up to date Action Plan at the next meeting.

CONCLUSIONS;

- (1) That the revised Action Plan be brought to this Committee.
- (2) That the further, more up to date paper, than the document of 18 February 2004 be provided at the next meeting.
- (3) That assistance and advice be sought from Kettering Borough Council in order that Scrutiny could see what it did differently.
- (4) That Scrutiny take further action to monitor and review progress and improvement.

7. DISPOSALS AND LETTINGS PROTOCOLS

The Chief Estates Surveyor outlined the reasons for the development of the Disposals and Lettings Protocols.

Councillor Hill, Community Leadership Portfolio Holder, advised that the report had been forwarded to this Committee, to give Members the opportunity to comment on the principles of the Protocols. It was anticipated that two pieces of land, with long-term leases, would be recommended for disposal shortly.

The Committee then discussed concerns regarding: -

- Nil value transactions and whether costs of the contract were passed onto the acquirer?
- A policy for long-term leasing rather than disposal
- Preservation of the Council's interest in nil value disposals, by long term leasing.

The Committee was advised that each party usually bore its own costs in the case of a nil value transaction. There was initial presumption of long term lease. Open market disposal might still mean a long term lease. If capital receipt was the objective, freehold disposal was usual.

CONCLUSION: That the Executive be informed that: -

- (1) The Committee supported the Disposals and Lettings Protocol in principle.
- (2) Where a disposal was a nil value, to preserve the Council's interest, long-term lease was preferable.
- (3) In the case of large disposals, or alternative uses, that long term lease is still the main consideration.

8. ENVIRONMENTAL SERVICES OPTION APPRAISAL

The Head of Corporate Procurement outlined the work of the Environmental Services Options Appraisal Project. He emphasised that the project was based on the Council's adopted project methodology of Prince II. Member involvement in the process was considered essential.

The Committee then made the following suggestions:

- That Overview and Scrutiny be involved in the public consultation process
- The proposed service standards be referred to the workshop that would be open to all Members.
- Scrutiny to monitor the methodology to ascertain if it had any gaps.
- Scrutiny to monitor the outcomes of the project.

Members were advised that a workshop, open to all Members would be held, to inform the project regarding the desired service standard outcomes and potential options. The standards could be discussed and built upon. Following the workshop, there would be a consultation process. It was anticipated that the Member workshop would be held during June 2004. It was noted that the Best Value Review would lead the satisfaction survey.

The Committee commented that the Project did not appear to have any gaps at this stage and suggested that the Project Plan be revisited when options were available for consideration.

CONCLUSION: That the Project Plan be revisited when options were available for consideration.

Members considered the Balance of Funding Review circulated with the agenda. Having considered the consultation paper approximately a year ago, the current document was the result of that consultation.

The Committee then suggested issues for inclusion on its work programme for the forthcoming 12 months.

CONCLUSION:

- (1) That the Balance of Funding Review be noted.
- (2) That the following items be discussed at future meetings of this Committee:
 - Review of Housing Benefits issues. including:
 - Monitoring content and progress of the Action Plan
 - Implementation of the IT System – how it would improve service, be procured, integrate benefits and revenues
 - Scoping of Housing Benefits
 - Representative sample of 'frontline and workforce' Officers from Benefits to be interviewed by a Working

Group

- Customer Focus (claimant and complaints)
- Presentation by one the of Housing Benefits IT System Suppliers.
- More up to date Benefits documents to be presented to the Committee
- Performance statistics monitored and questioned
- Liaison and lessons from other Local Authorities
- Budget Consultation Process
- Recovery Plan
- Performance Management
- Audit Reports
- Grosvenor/Greyfriars Redevelopment
- Revenue Outturn Reports
- Corporate Capital Outturn and Programme Reports
- Human Resources Statistics/PI Indicators
- Presentation on the results of the Employee Survey.

(3) At its next meeting, the Committee would allocate the above issues to its future meetings.

The meeting concluded at 7:45 pm